## REMARKS

Claims 3 and 11 have been cancelled without prejudice and new claims 12-28 have been added. Claims 1, 2 and 7-10 have been amended for clarification purposes. Support for new claims 12-14 can be found in the specification at page 9; claims 15, 21-22 at page 10; claims 16-19, 23 at pages 8-12; claim 20 at pages 11-12; claim 23 at pages 8-12; claim 24 at pages 6-7; and claims 25-28 at pages 7-8 and 12-13.

A check for $396.00 to cover the additional claims fee is enclosed. It is not believed that any additional fees are due, however, should there be any additional fees, please charge the same to Deposit Account No. 02-4467.

In view of the foregoing, favorable action on the merits including entry and approval of all amendments and allowance of all claims is solicited.

Respectfully submitted,

By: _____

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**EXHIBIT 1**

## "MARKED UP" AMENDMENT TO CLAIM PURSUANT TO RULE 1.121(c)

1.      An accounting system for accounting for <u>a plurality of transactions for a plurality of accounts</u> [a plurality of events, each event associated with a transaction,] using a plurality of accounting rules, <u>each transaction being one of a plurality of transaction types, the</u> [where each transaction is associated with at least one of the plurality of accounting rules according to the type of transaction, said] system comprising:

<u>a user interface for entering the plurality of accounting rules and assigning each of the plurality of accounting rules to at least one transaction type;</u>

a transaction engine for receiving <u>transactions</u> [events from at least one source];

an accounting engine coupled to the transaction engine for deriving accounting information for the received <u>transactions</u> [events] using for each received <u>transaction</u> [event] at least one [of the] accounting rule[s associated with] <u>assigned to</u> the type of the <u>received</u> transaction [of the received event]; and

an accounting database coupled to the <u>user interface and to the</u> accounting engine for storing records of <u>the plurality of accounting rules and records of</u> the derived accounting information.

2.      The accounting system of claim 1, where<u>in</u> the records of the derived accounting information are stored as postings to a plurality of ledger balances.

7.     A method for <u>accounting for a plurality of transactions for a plurality of</u> <u>accounts using a plurality of accounting rules, each of the plurality of accounts</u> [maintaining an account for a plurality of transaction events using a plurality of transaction rules, the account] having a cost basis associated therewith, [the transaction event being associated with an event type, a transaction classification and an asset classification, where each transaction event is associated with at least one of the plurality of accounting rules according to the at least one of the cost basis, event type, transaction classification and asset classification,] the method comprising:

receiving a transaction [event] from at least one source<u>, the received transaction</u> <u>having an event type, a transaction classification and an asset classification associated therewith</u>;

determining at least one accounting rule to apply to the received transaction [event] based upon at least one of the cost basis, event type, transaction classification and asset classification <u>of the received transaction</u>; and

deriving accounting information for the received transaction [event] using the accounting rule or rules determined to apply to the <u>received</u> transaction [event].


8.     A method for <u>accounting for a plurality of transactions from a plurality of</u> <u>accounts using a plurality of accounting rules entered by a user,</u> [maintaining an account for a plurality of transaction events using a plurality of transaction rules,] the method comprising:

<u>receiving a plurality of accounting rules from the user;</u>

receiving a transaction [event] from at least one source<u>, the transaction being</u> <u>associated with an account of the plurality of accounts</u>;

determining at least one accounting rule to apply to the received transaction [event] <u>based upon certain criteria</u>;

deriving accounting information for the received transaction [event] using the

accounting rule or rules determined to apply to the transaction [event]; and

posting the derived accounting information to at least one ledger balance for the

account.


9.      The method of claim 8 [9], wherein each [the] account of the plurality of

accounts has a cost basis associated therewith, and the criteria for determining [of] at least one

accounting rule to apply to the received transaction [event is based at least on] comprises the cost

basis of the account [and the type] of the received transaction [event].


10.      An accounting system for accounting for [having a plurality of accounting

rules for maintaining an account for] a plurality of transactions [events] for a plurality of

accounts, each of the transactions [event] having a date-time and an account of the plurality of

accounts associated therewith, the system comprising:

a user interface for entering and updating a plurality of accounting rules;

a transaction engine for receiving the plurality of transactions [events], for each

received transaction determining whether reconstruction is needed based on the date-time of the

received transaction [events] and, based on the determination, reconstructing the account of the

received transaction so that the received transactions are posted to the account in date-time order;

an accounting system, coupled to the transaction engine, for determining a set of

accounting rules to apply to the received transactions [events,] and deriving accounting

information for the received transactions [events] according to the set of accounting rules; and

an accounting database coupled to the <u>user interface and to the</u> accounting system

for storing <u>the plurality of accounting rules and the</u> derived accounting information for the

transaction<u>s</u> [events].

--12.   The accounting system of claim 4, wherein each of the rules has a time-

stamp associated therewith stored in the accounting database.--

--13.   The accounting system of claim 4, wherein the rules have expiration dates

associated therewith.--

--14.   The accounting system of claim 13, wherein the rules have effective dates

associated therewith.--

--15.   An accounting system for accounting for a plurality of transactions for a

plurality of accounts using a plurality of accounting rules, each transaction being one of a

plurality of transaction types, the plurality of transaction types being grouped into a plurality of

transaction classifications, the system comprising:

a user interface for entering the plurality of accounting rules and assigning each of

the plurality of accounting rules to at least one transaction classification;

a transaction engine for receiving transactions from at least one source;

an accounting engine coupled to the transaction engine for deriving accounting

information for the received transactions using for each received transaction at least one

accounting rule assigned to the classification of the type of the received transaction; and

an accounting database coupled to the user interface and to the accounting engine for storing records of plurality of accounting rules and the derived accounting information.--

--16.    The method of claim 7, further comprising storing the derived accounting information in a database.--

--17.    The method of claim 16, wherein the derived accounting information is stored as postings to a plurality of ledger balances.--

--18.    The method of claim 8, wherein the derived accounting information is posted to at least one ledger balance of the account in accordance with double entry bookkeeping.--

--19.    The method of claim 18, wherein the posting the derived accounting information to at least one ledger balance for the account is performed utilizing a posting matrix.--

--20.    The method of claim 19, wherein the posting matrix is maintained using a graphical user interface.--

--21.    The method of claim 8, wherein the received transaction is one of a plurality of transaction types, and the criteria for determining at least one accounting rule to apply to the received transaction comprises the type of the received transaction.--

--22. The method of claim 8, wherein the received transaction is associated with one of a plurality of asset types, and the criteria for determining at least one accounting rule to apply to the received transaction comprises the type of asset of the received transaction.

--23. A method for accounting for a plurality of transactions from a plurality of accounts using a plurality of accounting rules comprising:

entering a plurality of accounting rules;

receiving a transaction, the transaction being associated with an account of the plurality of accounts;

receiving an event, the received event being associated with the received transaction;

determining at least one accounting rule to apply to the received event based upon certain criteria;

deriving accounting information for the received event using the accounting rule or rules determined to apply to the event; and

posting the derived accounting information to at least one ledger balance for the account of the received transaction.--

--24. A method for accounting for transactions for a plurality of accounts, each account having at least one ledger balance associated therewith, the method comprising:

entering a plurality of accounting rules;

receiving a transaction, the received transaction being associated with one of the

plurality of accounts;

receiving an event, the received event being associated with a transaction and the

received event having a date-time associated therewith;

determining whether reconstruction is necessary by comparing the date-time of

the received event to that of previously received events and performing reconstruction for the

account of the transaction based upon the determination;

determining at least one accounting rule to apply to the received event based upon

certain criteria;

deriving accounting information for the received event using the accounting rule

or rules determined to apply to the event; and

posting the derived accounting information to at least one ledger balance for the

account of the received transaction.--


--25.   The method of claim 24, further comprising taking a snapshot of the

account.--


--26.   The method of claim 25, further comprising comparing the snapshot of the

account to an earlier snapshot of the account.--


--27.   The method of claim 25, further comprising performing reconstruction on

the snapshot based on events received after the taking of the snapshot.--

--28.    The method of claim 24, further comprising:

storing the plurality of accounting rules;

storing the received transaction as a record in the accounting database;

storing the received event as a record in the accounting database; and

creating a virtual journal entry using at least one of the stored plurality of

accounting rules, the stored transaction records, and the stored received event records.--